Tycho ICAV (the ICAV) – Tycho Talomon PE Alpha Fund (the Fund)

Sub-Fund Website Disclosure – EU Sustainable Finance Disclosure Regulation (the SFDR)

Relevant SFDR RTS Requirement	**Website Disclosure**
	SUMMARY
In the website section 'Summary' referred to in Article 24, point (a), financial market participants shall summarise all the information contained in the different sections referred to in that Article about the financial products that promote environmental or social characteristics. The summary section shall have a maximum length of two sides of A4-sized paper when printed.	Tycho ICAV (the **ICAV**) is authorised by the Central Bank of Ireland (the **Central Bank**) as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended and as an open-ended umbrella fund with segregated liability between sub-funds. Tycho Talomon PE Alpha Fund (the **Fund**) is a sub-fund of the ICAV. Talomon Capital Limited is the sub-investment manager of the Fund (the **Sub-Investment Manager**) and implements the Fund's investment strategy. The environmental characteristics promoted by the Fund are the mitigation of the effects of climate change; the reduction of carbon footprints by implementing sustainable practices and minimizing GHG emissions and the demonstration of responsible energy performance. The social characteristics promoted by the Fund are good labour practices including the promotion of sustainable and ethical supply chains; and promoting health and safety and cybersecurity to protect sensitive data in the workplace. The Fund seeks to identify companies that actively contribute to mitigating climate change, and seeks companies committed to reducing carbon footprints by implementing sustainable practices and minimising GHG emissions, as well as companies that demonstrate responsible energy performance. The Fund does not have as its objective sustainable investment. The Fund employs a fundamentals-based and value-driven long-term equity investment strategy as more particularly described in the Fund's supplement and the section of this website entitled '*Investment Strategy*'. The Sub-Investment Manager assesses good governance practices of investee companies by examining their board structure (including diversity and effectiveness), management structures, employee relations, remuneration of staff, tax and other compliance.

Under normal market conditions, it is expected that a minimum of 80% of the Fund's portfolio will be invested in issuers aligned with the environmental or social characteristics promoted by the Fund.

The Sub-Investment Manager conducts an ESG assessment (the **ESG Assessment**) based on an internal process designed to incorporate environmental and social characteristics and sustainability indicators at both the private equity sponsor-level and investee company-level. The application of the Sub-Investment Manager’s ESG assessment will result in a reduced investment universe.

1) *Private Equity Sponsor-Level Analysis*

   The Sub-Investment Manager carries out a pre-screening process where it assesses each private equity sponsor before adding the sponsor to a “curated” list of sponsors. The Sub-Investment Manager will invest exclusively alongside such sponsors. Each private equity sponsor is assessed on the following ESG credentials:

   - ESG policies and commitments;
   - ESG integration into investment process;
   - ESG reporting and transparency;
   - Performance measurement and targets;
   - Stakeholder engagement;
   - Business ethics; and
   - Corruption and tax practices.

2) *Company-Level Exclusion List*

   Following the pre-screening process, at the company-level, investee companies will be assessed against a proprietary ESG exclusion list which excludes the following:

   - Companies which violate the UN Global Compact principles.
   - Companies which generate revenue from Gambling, Tobacco, Adult Entertainment.
   - Companies which produce controversial weapon systems.
   - Companies which operate private prisons.
   - Companies involved in coal mining.
   - Companies involved with cannabis.

3) *Company-level environment and social analysis*

	The Fund promotes the E/S characteristics of the Fund by targeting companies with lower greenhouse gas emissions, reduced carbon footprints and net positive social impacts. These characteristics include, but are not limited to: ▪ Environmental: seeking to identify companies that actively contribute to mitigating climate change; seeking companies committed to reducing carbon footprints by implementing sustainable practises and minimising GHG emissions and seeking companies that demonstrate responsible energy performance. ▪ Social: seeking to identify companies with commitments to sustainable and ethical supply chains; seeking companies prioritising health and safety initiatives and seeking companies that prioritise cybersecurity to safeguard sensitive data. No reference benchmark has been designated to determine whether this Fund is aligned with the social characteristics that it promotes.
NO SUSTAINABLE INVESTMENT OBJECTIVE	
In the website section 'No sustainable investment objective' referred to in Article 24, point (b), financial market participants shall insert the following statement: "This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment."	This Fund promotes environmental or social characteristics but does not have as its objective sustainable investment.
ENVIRONMENTAL OR SOCIAL CHARACTERISTICS OF THE FUND	
In the website section 'Environmental or social characteristics of the financial product' referred to in Article 24, point (c), financial market participants shall describe the environmental or social characteristics that the financial products promotes.	The Fund promotes environmental and social characteristics. The environmental characteristics promoted by the Fund are the mitigation of the effects of climate change; the reduction of carbon footprints by implementing sustainable practises and minimising GHG emissions and the demonstration of responsible energy performance. The social characteristics promoted by the Fund are good labour practices including the promotion of sustainable and ethical supply chains; and promoting health and safety and cybersecurity to protect sensitive data in the workplace.

PRINCIPAL ADVERSE IMPACT STATEMENT	
	The Sub-Investment Manager has elected not to consider the principal adverse impacts (**PAIs**) of investment decisions taken on behalf of the Fund on sustainability factors in the manner contemplated by Article 4(1)(a) of the SFDR, for the time being. The Sub-Investment Manager does not currently do so because, among other reasons, the Sub-Investment Manager is not, in its view, currently in a position to evaluate and report on the adverse impacts of investment decisions on a uniform set of sustainability factors in accordance with the regulatory technical standards supplementing the SFDR, or to do so systematically, consistently and at a reasonable cost with respect to its investment strategies to investors. Waystone Management Company (IE) Limited, the ICAV's UCITS management company, does not consider PAIs at the entity level as it has a number of delegate investment managers and has determined that the aggregation of its delegated investment manager PAI reporting (where available) is of no value to its stakeholders due to the vast range of investment strategies and approaches to sustainability risk integration.
INVESTMENT STRATEGY	
In the website section 'Investment strategy' referred to in Article 24, point (d), financial market participants shall describe all of the following: (a) the investment strategy used to meet the environmental or social characteristics promoted by the financial product;	The Fund seeks to achieve its objective by investing in a diversified portfolio of up to 40 best-in-class publicly listed companies part owned by private equity sponsors. The Fund may invest in equities and depositary receipts. All companies may be domiciled anywhere globally but will have significant operations within Europe and/or North America. The Fund does not have any industry or sector focus. The Fund is actively managed without reference to any benchmark. The Fund may invest in cash, cash equivalents including money market funds, commercial paper, certificates of deposit, and other money market instruments including treasury bills and commercial paper bills for temporary cash management purposes or pending investment or re-investment. The Fund's investments will be listed and/or traded on the Recognised Markets set out in the Prospectus, save for permitted and unlisted investments of the Fund including unlisted securities and cash. The Sub-Investment Manager conducts an ESG assessment (the ESG Assessment) based on an internal process designed to incorporate environmental and social characteristics and sustainability indicators at both the private equity sponsor-level and investee company-level. The application of the Sub-Investment Manager's ESG Assessment will result in a reduced investment universe. *1) Private equity sponsor-level analysis*

	The Sub-Investment Manager carries out a pre-screening process where it assesses each private equity sponsor against the sustainability indicators before adding the sponsor to a "curated" list of sponsors. The Sub-Investment Manager will invest exclusively alongside such sponsors. Each private equity sponsor is assessed against the sustainability indicators on the following ESG credentials: • ESG policies and commitments; • ESG integration into investment process; • ESG reporting and transparency; • Performance measurement and targets; • Stakeholder engagement; • Business ethics; and • Corruption and tax practices. 2) *<u>Company-level exclusion list</u>* Following the pre-screening process, at the company-level, investee companies will be assessed against a proprietary ESG exclusion list which excludes the following: ▪ Companies which violate the UN Global Compact principles. ▪ Companies which generate revenue from Gambling, Tobacco, Adult Entertainment. ▪ Companies which produce controversial weapon systems. ▪ Companies which operate private prisons. ▪ Companies involved in coal mining. ▪ Companies involved with cannabis. *<u>3) Company-level environment and social analysis</u>* The Fund promotes the environmental and social characteristics of the Fund by targeting companies with lower greenhouse gas emissions, reduced carbon footprints and net positive social impacts. These characteristics include, but are not limited to: ▪ Environmental: seeking to identify companies that actively contribute to mitigating climate change; seeking companies committed to reducing carbon footprints by implementing sustainable practises and minimising GHG emissions and seeking companies that demonstrate responsible energy performance. ▪ Social: seeking to identify companies with commitments to sustainable and ethical supply chains; seeking companies prioritising health and safety initiatives and seeking companies that prioritise cybersecurity to safeguard sensitive data. The Sub-Investment Manager's approach is centred around:

- Risk mitigation: any issues identified are documented in the investment memoranda for consideration by the investment committee, alongside its wider ESG risk analysis.
- Private equity sponsor engagement: one-to-one meetings on any specific topic related to ESG factors.
- Corporate responsibility: the Sub-Investment Manager endeavours to reduce its own carbon footprint as a core corporate responsibility.
- Companies may be subject to an ESG watch list and enhanced ongoing due diligence if there are any identified shortcomings per above.

Based on the sustainability indicators, the Sub-Investment Manager uses an ESG Traffic Light System to assess and designate each investment investee company and/or private equity sponsor with a categorisation:

- Red: If, following assessment against the sustainability indicators, the investee company and/or private equity sponsor has three or more material key issues, these investee companies and/or private equity sponsor will be classified as Red and the Sub-Investment Manager will prohibited from investing in such companies and/or alongside such sponsors.

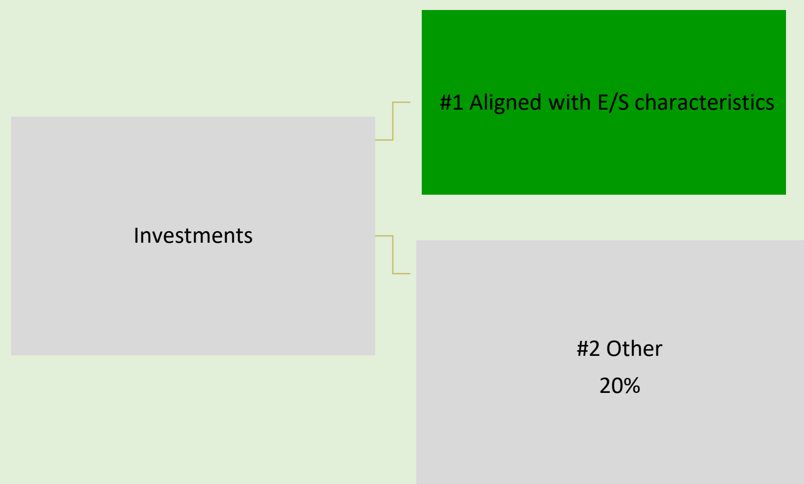
- Amber: If, following assessment against the sustainability indicators, the investee company and/or private equity sponsor has one or two material key issues associated with the sustainability indicators set out above. The Sub-Investment Manager considers such material key issues and looks to engage with the investee company and/or private equity sponsor. The Sub-Investment Manager is permitted to invest in such companies and/or alongside such sponsors.

- Green: If, following assessment against the sustainability indicators, the investee company and/or private equity sponsor has no material key issues, it will be classified as Green. The Sub-Investment Manager is permitted to invest in investee companies and/or private equity sponsor classified as Green.

4) Company-level governance analysis

Investee companies are subject to ongoing review of key performance indicators to mitigate any further risks arising from ESG factors and to ensure full alignment alongside the private equity sponsor. There is particular focus on governance, including, but not limited to:

- Who is the lead partner at the sponsor-level responsible for managing the underlying company?

	▪ What is the lead partners' historical track record in managing companies in/of this sector/geographical area/size? ▪ Has there been any recent changes to the lead partner and/or the board of directors at the underlying company level which could provide signalling value? ▪ Has there been any change to the size of the board of directors and/or the number of board seats held by the sponsor in the underlying company? ▪ What sponsor fund was used to make the investment?
(b) the policy to assess good governance practices of the investee companies, including with respect to sound management structures, employee relations, remuneration of staff and tax compliance	The Investment Manager assesses good governance practices of investee companies by examining their board structure (including diversity and effectiveness), management structures, employee relations, remuneration of staff, tax and other compliance.
PROPORTION OF INVESTMENTS	
Asset Allocation	The Fund promotes environmental and social characteristics. The Fund is not aligned with EU Taxonomy, does not make sustainable investments or have a sustainable investment objective. Under normal market conditions, it is expected that the Fund will invest at least 80% of its NAV in issuers aligned with the environmental and social characteristics promoted by the Fund. The Fund is permitted to invest up to 20% of its NAV in other investments that are not aligned with the environmental and social characteristics and that consist of cash, cash equivalents held as ancillary liquidity, derivatives and other core investment held of hedging, and/or unscreened investment where there is no sufficient ESG data. 

	#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product. **#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.
In the website section ‘Proportion of investments’ referred to in Article 24, point (e), financial market participants shall insert the information referred to in Article 14 and shall distinguish between direct exposures in investee entities and all other types of exposures to those entities.	The Fund does not use FDI to attain the environmental and social characteristics it promotes. The Fund's use of financial derivative instruments is to assist in managing the Fund's exposure to currency risk and market risk and to assist in mitigating NAV variations caused by fluctuations in currency markets to which the Fund is exposed.
MONITORING OF ENVIRONMENTAL OR SOCIAL CHARACTERISTICS	
In the website section ‘Monitoring of environmental or social characteristics’ referred to in Article 24, point (f), financial market participants shall describe how the environmental or social characteristics promoted by the financial product and the sustainability indicators used to measure the attainment of each of those environmental or social characteristics promoted by the financial product are monitored throughout the lifecycle of the financial product and the related internal or external control mechanisms.	The approach to monitoring environment and social characteristics is embedded throughout the investment lifecycle through internal ESG risk management, ongoing monitoring and engagement and escalation. **Internal ESG risk management** The ESG risk assessment process is integrated into the investment decision-making process. Each investment opportunity undergoes comprehensive ESG analysis which is documented in the investment memoranda prior to investment. **Ongoing Monitoring** There is a continuous ESG monitoring framework, where sustainability performance data and key performance indictors related to environmental and social characters are collected and reviewed on an ongoing basis. These KPIs are available from public corporate filings, regulatory databases and external financial data platforms and are monitored to help measure the attainment of sustainability objectives and identify any deviations or risks that require mitigation. **Engagement and Escalation** In cases where ESG shortcomings are identified, there is engagement with both private equity sponsors and investee companies to address concerns.
METHODOLOGIES FOR ENVIRONMENTAL OR SOCIAL CHARACTERISTICS	

In the website section 'Methodologies for environmental or social characteristics' referred to in Article 24, point (g), financial market participants shall describe the methodologies to measure how the social or environmental characteristics promoted by the financial product are met.	The sustainability indicators used to measure the attainment of the characteristics promoted are: ▪ The reduction in GHG emissions; ▪ The GHG intensity of investee companies and the exposure of investee companies to companies active in the fossil fuel sector; ▪ The share of energy from non-renewable sources used by investee companies; ▪ Violations of UN Global Compact principles and OECD guidelines for multinational enterprises; and ▪ Investments in companies without workplace accident prevention policies. Based on these sustainability indicators, the Sub-Investment Manager uses an ESG Traffic Light System to assess and designate each investee company and/or private equity sponsor with a categorisation. Additionally, the Sub-Investment Manager applies a private equity sponsor-level analysis, a proprietary exclusion list and a company-level governance analysis, further details of the above are set out under the 'Investment Strategy' section of the website.
DATA SOURCES AND PROCESSING	
In the website section 'Data sources and processing' referred to in Article 24, point (h), financial market participants shall describe all of the following: (a) the data sources used to attain each of the environmental or social characteristics promoted by the financial product;	This includes public corporate filings (i.e., IPO prospectuses, annual reports, quarterly reports, earnings transcripts), regulatory databases (i.e., SEC filings, CapEdge) and external financial data platforms (i.e., Bloomberg, Pitchbook) as well as one-on-one engagements with the private equity sponsor and/or investee company or their investor relations team.
(b) the measures taken to ensure data quality.	Where data is not publicly available from corporate filings, the Sub-Investment Manager endeavors to use reputable well-established data providers known for their data integrity and robust verification processes.
(c) how data is processed.	Data is collected from the aforementioned sources, standardized to ensure consistency and stored in internal databases for easy retrieval and analysis.
(d) the proportion of data that is estimated.	Limited amounts, if any.
LIMITATIONS TO METHODOLOGIES AND DATA	

In the website section 'Limitations to methodologies and data' referred to in Article 24, point (i), financial market participants shall describe all of the following: (a) any limitations to the methodologies referred to in Article 24, point (g), and to the data sources referred to in Article 24, point (h); (b) how such limitations do not affect how the environmental or social characteristics promoted by the financial product are met.	ESG information from third party data providers and/or obtained directly from the investee companies may be incomplete, inaccurate, outdated or unavailable. As a result, there is a risk that the Fund may incorrectly assess an investee company. This in turn can result in the incorrect inclusion or exclusion of a company in the portfolio of the Fund. Incomplete, inaccurate or unavailable ESG data may also act as a methodological limitation to a non-financial investment strategy (such as the application of ESG risk and opportunity characteristics). Where identified, the Sub-Investment Manager will seek to mitigate this risk through its own assessment.
DUE DILIGENCE	
In the website section 'Due diligence' referred to in Article 24, point (j), financial market participants shall describe the due diligence carried out on the underlying assets of the financial product, including the internal and external controls on that due diligence.	The Sub-Investment Manager conducts due diligence on all investee companies as part of the binding elements of the Fund's investment strategy described in the section of this website entitled '*Methodologies for Environmental or Social Characteristics*'. Specifically, the Fund will only invest alongside equity sponsors that have passed the ESG due diligence and hence have been added to the "curated" list. The Sub-Investment Manager conducts an ESG assessment based on an internal process designed to incorporate environmental and social characteristics and sustainability indicators at both the private equity sponsor-level and investee company-level. The application of the Sub-Investment Manager's ESG Assessment will result in a reduced investment universe. The Sub-Investment Manager carries out a pre-screening process where it assesses each private equity sponsor against the sustainability indicators before adding the sponsor to a "curated" list of sponsors. The Sub-Investment Manager will invest exclusively alongside such sponsors. Each private equity sponsor is assessed against the sustainability indicators on the following ESG credentials: • ESG policies and commitments; • ESG integration into investment process; • ESG reporting and transparency; • Performance measurement and targets; • Stakeholder engagement; • Business ethics; and • Corruption and tax practices.

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<td>In the website section ‘Engagement policies’ referred to in Article 24, point (k), financial market participants shall describe the engagement policies implemented where engagement is part of the environmental or social investment strategy, including any management procedures applicable to sustainability-related controversies in investee companies.</td>
<td>Where an investee company and/or private equity sponsor is classed as ‘Amber’ under the ESG Traffic Light System, the Sub-Investment Manager will seek to engage with management where it is anticipated that this will improve their practices and the outlook for long-term shareholder returns. The Sub-Investment Manager will also consider alternative options including divestment.</td>
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DESIGNATED REFERENCE BENCHMARK	
In the website section 'Designated reference benchmark' referred to in Article 24, point (l), financial market participants shall describe whether an index has been designated as a reference benchmark to meet the environmental or social characteristics promoted by the financial product, and how that index is aligned with the environmental or social characteristics promoted by the financial product, including the input data, the methodologies used to select those data, the rebalancing methodologies and how the index is calculated.	No reference benchmark has been designated to determine whether this Fund is aligned with the social characteristics that it promotes.